

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

**INTERNATIONAL UNION OF OPERATING
ENGINEERS**



LOCAL 68-68A-68B, AFL-CIO

AND

BOROUGH OF KEYPORT

Site: Department of Public Works, Keyport, NJ

JANUARY 1, 2012- DECEMBER 31, 2015

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THIS AGREEMENT effective as of the first day of January 2012 by and between THE BOROUGH OF KEYPORT, NEW JERSEY a Municipal Corporation of the State of New Jersey, hereinafter referred to as "BOROUGH" and the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 68-68A-68B, affiliated with the AFL-CIO, 11 Fairfield Place, West Caldwell, NJ 07006 hereinafter referred to as the "UNION", is designed to maintain and promote a harmonious relationship between the Borough of Keyport and the blue collar employees represented by Local 68, in order that more efficient and progressive public service may be rendered.

ARTICLE 1 - RECOGNITION

The Borough recognizes Local 68 of the International Union of Operating Engineers as the exclusive and sole representative for collective negotiations concerning salaries, hours, grievances, and all other terms and conditions of employment for all blue collar employees in the Public Works Department and Police Communication Operators.

ARTICLE 2 - MEMBERSHIP CLAUSE

All current permanent employees and any permanent employees who are hired during the term of this Agreement may become and remain members of the Union. The Borough shall not interfere with or discourage either the solicitation of membership by the Union or the maintenance of membership in the Union by any of its employees in this unit.

ARTICLE 3 - JOB OPENINGS AND POSTING

All bargaining unit job openings shall be posted in all bargaining unit shops and offices. The job posting shall remain posted for seven (7) working days. All bargaining unit employees shall have the right to apply for all openings in accordance with the provisions of the New Jersey Civil Service Commission rules and regulations, and the provisions of Title 11 of the New

Jersey Statues. Current bargaining unit employees shall have priority over any other borough employee or person when filling job openings within the bargaining unit.

The Borough agrees to send copies of all job openings to the Union on the date that they are posted.

ARTICLE 4 - SENIORITY

For the purpose of this agreement, seniority shall be defined as the length of continual service with the Borough within the bargaining unit from the employee's date of hire as a full-time employee.

ARTICLE 5 - EMPLOYMENT SECURITY

If employees of this bargaining unit are affected by a reduction in the work force, the Borough agrees to layoff employees in the reverse order of seniority.

All laid off bargaining unit employees shall be put on a recall list which the Borough shall use if openings within the bargaining unit become available. All bargaining unit employees on the recall list shall have first priority by seniority, on any openings in the bargaining unit. All recalled bargaining unit employees shall maintain his/her previous seniority less the time not employed by the Borough.

ARTICLE 6 - UNION DUES/INITIATION FEE/CREDIT UNION DEDUCTIONS

The Borough agrees to deduct and transmit monthly membership dues, credit Union deductions and other proper assessments from the earned wages or salaries of each employee.

The Borough agrees to deduct and transmit initiation fees from the employees covered by this Agreement. The Union shall provide signed authorization form from the employee to the Borough concerning the deduction of initiation fees. Deduction of initiation fee shall begin within two (2) pay periods after receipt of the initiation fee authorization form by the Borough.

Payroll deductions for new member initiation fees shall be made at the rate of twelve dollars and fifty cents (\$12.50) per pay period. These deductions shall continue until the initiation fee is paid in full. The Borough will remit this fee along with any Union dues by the fifteenth (15th) of the following month.

The Borough will remit to the Union all deducted dues monies no later than the 15th of the month following the month for which dues were deducted. If dues remittances have not been received by the Union in full within 30 days from the 15th of the month following the month for which dues were deducted, the Union may proceed directly to Step 3 of the grievance procedure and file directly with the Borough Council. If no settlement can be reached at Step 3 the Union will refer the matter to Step 4 for arbitration. Notwithstanding anything in this Agreement to the contrary, if the Arbitrator finds that the Borough is delinquent in transmitting deducted dues payments to the Union, the Arbitrator may award interest, at the prime rate of the delinquent amount to the award as liquidated damages.

ARTICLE 7 - AGENCY SHOP CLAUSE

- A. The Unions shall submit to the Borough a list of names of employees covered by this Agreement who are not currently dues paying members of the Union. The Borough in compliance with New Jersey State Law and this Agreement shall deduct from non-member employees of this bargaining unit a representation fee up to eighty-five percent (85%) of the amount set for Union bargaining unit members in accordance with N.J.S.A. 34:13A-5 Et Seq. This amount should be paid by payroll deductions directly to the Union, each month along with the monthly dues remittance.
- B. The Union has established and will maintain a "Demand and Return" system whereby non-member employees who are required to pay the representation fee in lieu of dues may demand the return of the "Pro Rata Share" if any, of this fee, subject to refund in accordance with the provisions of N.J.S.A. 34:13A-5.5. The demand and return system shall also provide that non-member employees who pay the representation fee in lieu of dues may obtain review of the amount paid through full and fair proceedings, placing the burden of proof on the Union. Such proceedings shall provide for an appeal by either the Union or the non-member employee to the State Board as established by N.J.S.A. 34:13A-5.6.
- C. The Union shall indemnify, defend and save the Borough harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of

any action taken by the Borough in connection with this article based upon information furnished by the Union or its representative.

ARTICLE 8 - WORK WEEK

The work week for all bargaining unit employees working in the public works department shall be from Monday through Sunday, and shall consist of five (5) consecutive eight (8) hour work days for a forty (40) hour work week.

The work week for all bargaining unit employees working as Police Communication Operators shall remain the present seven (7) day rotating, three (3) shift schedule.

ARTICLE 9 - WORK DAY

The work day for all bargaining unit employees working in the public works department shall be from 7:00 AM to 3:30 PM, inclusive of one-half (1/2) hour for lunch.

The work day for all bargaining unit employees working as Police Communication Operators shall be from 8:00 AM to 4:00 PM on the day shift, 4:00 PM to 12:00 AM on the afternoon shift, and 12:00 AM to 8:00 AM on the midnight shift. All shifts shall include one-half (1/2) hour for meals.

ARTICLE 10 - HOSPITALIZATION AND DENTAL PLANS

- a. On September 1, 2009, the Borough shall change the current health plan to the Horizon Blue Cross/Blue Shield Direct Access Design 4 plan, which contains the following provisions:

Rx Plan:	\$10 generic/\$20 name brand/\$0 mail order
Doctor Visit Copayment:	\$20
Co-insurance	100/90/70%
Max. Out-Of-Pocket:	\$500 individual/\$1000 family

A "Benefit Highlights" sheet of the Design 4 plan has been distributed by the Borough, reviewed by the parties and has been the subject of a benefits presentation to the employees by the Borough.

- b. Notwithstanding anything to the contrary, on September 1, 2009 should the Borough choose to enroll all of its eligible employees into the New Jersey State

Direct 15 Health Plan either through the New Jersey State Health Benefits Plan (SHBP) or directly from New Jersey Blue Cross/Blue Shield, in accordance with the requirements of said plan(s), then the Borough shall have the option of enrolling in the Direct 15 Health Plan for this Bargaining Unit.

- c. The employees' contributions towards health benefits will be as follows:

\$10 per pay until September 1, 2009. From September 1, 2009 to December 31, 2009, contributions will be 1% of base salary.

Effective January 1, 2010, 1.5% of base salary.

These contribution rates will apply throughout the term of the Agreement, regardless of which plan is in effect. A minimum of \$10.00 per pay period in salary deductions shall be applied to all employees if the computed deduction of 1.0% and 1.5% would otherwise result in a deduction of less than \$10.00 per pay period.

- d. The Borough shall continue to provide the current dental coverage to all bargaining unit employees and their dependents.
- e. The Borough shall provide all bargaining unit employees with one of the health plans described in "a" and "b" above through December 31, 2010.
- f. The Borough shall retain the option to self-insure or change its insurance plans or carriers, so long as substantially similar benefits are continued to be provided for all bargaining unit employees. In the event that the Borough plans to make a change in the existing health and/or dental plans, the Union will be provided with copies of the new plan, forty (40) days in advance. In the event that the Union disagrees that the new plan provides substantially similar benefits, the Union and the Borough shall agree to meet and discuss the proposed new plans. If after meeting with the Borough, the Union still disagrees with the new insurance plan(s), the Union may grieve this matter at Step #3 of the grievance procedure. However, the Borough's authority to exercise the right described in this subsection "f" shall be temporarily suspended during the period of June 1, 2009 through December 31, 2010.

- g. Health/Dental changes to other Borough employees: If the Borough makes any changes to the existing health and dental benefits for any Borough employee, the Borough shall notify the Union within five (5) working days of said changes.

With the exception of the situation addressed in the November 14, 2002 Letter of Agreement, the Borough and the Union would agree to meet to discuss these changes for possible negotiations.

ARTICLE 11 - ACCIDENT AND LIABILITY INSURANCE

The Borough shall continue to provide the accident and liability insurance coverage that is currently provided to all bargaining unit employees for the purpose of providing legal representation in all actions brought against an employee by a third party as a result of matters within the scope of Borough employment and operation of Borough equipment.

ARTICLE 12 - DISABILITY INSURANCE

The Borough shall continue to provide the disability benefit coverage under the plan of the State of New Jersey which will protect the employees against sickness or disability not compensable under the worker's compensation law.

ARTICLE 13 - PENSION

Upon hiring all employees shall complete the application documents to enroll in the Public Employees Retirement System (P.E.R.S.). All coverage and benefits of the employees shall be determined and controlled by the New Jersey Statute providing for P.E.R.S. as administered by the Division of Pensions, State of New Jersey.

By Resolution the Borough of Keyport has established a voluntary Deferred Compensation Plan to be made available to all employees.

ARTICLE 14 - SICK DAYS

All full-time bargaining unit employees shall receive fifteen (15) sick days with pay per year. Any one hired effective January 1, 2012 shall receive twelve (12) sick days. All unused sick days shall be accumulated without limit. During the first year of employment new employees covered by this Agreement will be granted one (1) sick day per month of service

earned. Sick time may be utilized by bargaining unit employees for their own illness as well as illness of immediate family members. The minimum amount of sick time, which may be taken by the full-time bargaining unit employee, shall be ½ hour. Nothing hereunder shall be deemed to affect the rights of bargaining unit employees with respect to the Family Leave Act as set forth herein.

Upon retirement, the Borough will pay the retiring employee for fifty-five percent (55%) of the earned unused accumulated sick days up to a maximum of \$14,500.

In the event of an employee's death prior to retirement, one half of the earned unused accumulated sick days up to a maximum of \$14,000 will be paid to beneficiary or estate.

Effective January 1, 2002 any bargaining unit employee who does not use a sick day during a six (6) month period, based on a rolling calendar, shall receive one incentive day. The incentive days will not apply to the new employee hired after January 1, 2012.

ARTICLE 15 - SICK DAY BUY BACK

All bargaining unit employees shall have the option of a yearly buy back of seven (7) sick days, providing that the employee has a minimum of thirty (30) sick days in the bank. Payment for these sick days would be on the first pay day in December of each year.

ARTICLE 16 - PERSONAL DAYS:

All bargaining unit employees hired on or before January 1, 2008 shall be entitled to six (6) personal days per year with full pay.

Employees hired after January 1, 2008 will be entitled to two (2) personal days, pro-rated for time of service during the first year of employment. Beginning with the second year of employment (as of 1st anniversary date), employees hired after January 1, 2008 will be entitled to receive four (4) personal days each year.

ARTICLE 17 - HOLIDAYS

a. All bargaining unit employees shall receive the following fourteen (14) holidays per year:

New Years Day	4 th of July	Christmas Day
Martin Luther King Day	Labor Day	Christmas Eve/Day after Christmas*
Lincoln's Birthday	Columbus Day	

Presidents Day
Good Friday
Memorial Day

Veterans Day
Thanksgiving Day
Day After Thanksgiving

*The Borough agrees that a single holiday will be assigned to either Christmas Eve or the Day after Christmas, if the two (2) Local 68 bargaining units as a group are in agreement, and with the concurrence of the Borough Administrator. In the event that the units cannot agree, the decision will rest with the Borough Administrator.

All bargaining unit employees who work on one of the holidays listed in Article 17(a) above shall receive eight (8) hours regular pay for the holiday, and time and one-half (1 1/2X) their regular hourly rate for all hours worked on the holiday.

In the event that Christmas Eve should fall on a weekend, one representative of the Department of Public Works, one representative of the Communications Operators, along with the Borough Administrator will designate the date to be observed for Christmas Eve.

b. See attached Rider.

ARTICLE 18 - VACATION

Bargaining unit employees hired on or before October 17, 2006 shall receive the following vacation:

YEARS OF SERVICE	VACATION DAYS
1 to 6 years	12 Days
7 to 10 years	15 Days
11 to 20 years	20 Days
over 20 years	25 Days

Bargaining unit employees hired after October 17, 2006 shall be entitled to the following vacation benefit:

1 to 6 years	12 Days
7 to 8 years	13 Days
9 to 10 years	15 Days
11 to 20 years	20 Days
over 20 years	25 Days

Bargaining unit employees hired after January 1, 2008 shall be entitled to the following vacations benefits during the specified years of employment:

1st year

1 day per month worked

2 to 7 years
8 to 20 years
21 and above years

12 vacation days
15 vacation days
20 vacation days

In the event an employee is entitled to vacation leave at the time of his/her death his/her widow(er) or his/her estate shall receive one (1) day's pay for each day of earned vacation which had not been taken at the time of the employee's death, up to the maximum that would be paid to an employee who is retiring or who has otherwise separated from the Borough.

An employee who is retiring or who has otherwise separated shall be entitled to the pro-rated vacation allowance for the current year and any vacation which may have been carried over from the preceding year.

The bargaining unit employee shall have the option of carrying unused vacation time into the following year by March 31, except when denied by the borough do to work schedule discrepancy, the unused time must be taken by June 1st of that year, with the approval of the business administrator.

ARTICLE 19 - JURY DUTY

All bargaining unit employees who are required to perform jury duty or appear in court as a witness on behalf of the Borough shall receive their full salary and benefits while serving, upon evidence of same being presented to the Borough Business Administrator. Any compensation received by the employee for jury duty shall be turned over to the Borough promptly.

ARTICLE 20 - MILITARY DUTY

All bargaining unit employees who are called into active duty or training in the military shall be entitled to fifteen (15) days per year for such duty or training, with full pay and benefits from the Borough and subject to USERRA.

The Borough of Keyport will comply with all guidelines recommended by the State Department of Personnel.

ARTICLE 21 - CDL LICENSE

The Borough shall reimburse all bargaining unit employees the additional cost over and above the cost of the New Jersey State Motor Vehicle Drivers License that is paid by the

employee for the employee's CDL License. The Borough agrees to reimburse this payment within 3 pay periods from the date it is submitted.

The employees would agree to abide by the Borough's Substance Abuse Policy pertaining to employees having a commercial driver's license.

ARTICLE 22 - MEAL ALLOWANCE

All bargaining unit employees shall receive fifteen dollars (\$15.00) meal allowance for working more than ten (10) consecutive hours. Employees who work fourteen (14) consecutive hours shall receive an additional fifteen dollars (\$15.00) meal allowance. The Borough of Keyport will not pay for an employee's meal and also pay a meal allowance.

ARTICLE 23 - BEREAVEMENT LEAVE

All bargaining unit employees shall be entitled to four (4) working days with pay for absences caused by the death of a member of the employee's immediate family or because of the death of another relative, including grandfather, grandmother, grandchild, or anyone making his/her permanent home with the employee's family and regarded as a member of the family. If the deceased family member lives outside of New Jersey, or the States bordering New Jersey, the employee shall receive one (1) additional day off with pay.

Effective January 1, 2012 all new hired bargaining unit employees shall be entitled to three (3) working days with pay for absences caused by the death of a member of the employee's immediate family or because of the death of another relative, including grandfather, grandmother, grandchild, or anyone making his/her permanent home with the employee's family and regarded as a member of the family. If the deceased family member lives outside of New Jersey, or the States bordering New Jersey, the employee shall receive one (1) additional day off with pay.

Immediate family shall be defined as: Father, Mother, Husband, Wife, Child, Brother, Sister, Father-In-Law, Mother-In-Law, Grandparents, Step Child, Step Parent, Brother-in-Law, Sister-in-Law.

All bargaining unit employees shall be entitled to one (1) working day with pay for absences caused by the death of an extended family member defined as aunt, uncle, niece, or nephew.

ARTICLE 24 - EDUCATION FUND

The Borough shall allow employees time off with full pay to attend any seminar, classes, or training that are required for the employee's job with the Borough paying the full cost of all such classes and training.

The Borough shall fully reimburse any bargaining unit employee who attends and completes the Union training facility, or any other equivalent training facility with the prior approval of the Department Supervisor. The reimbursement shall include registration fees, class fees, books, and mileage reimbursement shall be according to the standard I.R.S. reimbursement rate of mileage, and shall be made within 3 pay periods from the date submitted.

Nothing herein shall prevent a bargaining unit employee from requesting of the Borough the right to attend any seminar, classes, or training that the employee believes is necessary for his/her job. Upon approval by the Borough the Borough will pay the full cost of such classes and training.

ARTICLE 25 - BULLETIN BOARDS

The Borough will provide Bulletin Boards for the employees for the purpose of posting notices relating to meetings and any other Union business.

ARTICLE 26 - STEWARD/UNION BUSINESS

If the Union duly authorizes a member from the bargaining unit to represent it during formal hearings of grievances, and if such hearings of grievances should take place during regular working hours of said representative, that representative shall be excused from duty without loss of pay, for such time as may be necessary to hear the grievance.

All employees who are members of the Union's negotiating committee and are scheduled to work during the hours of scheduled negotiations shall be paid in full.

The Union Business Representative shall have access during working hours to all facilities in which employees covered by this Agreement work, for the purpose of adjusting grievances and negotiating the settlement of disputes. The Union Representative will provide advance notification of his site visits to the Borough.

ARTICLE 27 - GRIEVANCE PROCEDURE

Definition: The term grievance is a complaint by an employee or employees or the Union at the request of an employee or employees that there has been a mis-interpretation, mis-application or violation of this Agreement.

Step 1: The aggrieved employee or employees must present a grievance in writing to the first line supervisor through the Union Shop Steward within fifteen (15) working days of the occurrence of the grievance, except that no time limits shall apply in case of a violation of the wage provision of this Agreement. If a satisfactory settlement is not achieved with the first line supervisor within five (5) working days, the grievance may be appealed to Step 2.

Step 2: The Union Business Representative shall then take the matter up, within ten (10) working days, with the Borough Administrator or someone with authority to act upon such a grievance. A decision must be made within fifteen (15) working days in writing.

Step 3: If no satisfactory settlement can be agreed upon, the Union shall then take the matter up within ten (10) working days with the Borough Council. A decision must be made within twenty (20) working days in writing.

Step 4: If no satisfactory settlement can be agreed upon, the matter may be referred to the Public Employment Relations Commission within twenty (20) working days with a request for a list of Arbitrators. An Arbitrator shall be selected in accordance with the procedures of the Public Employment Relations Commission.

1. Unless the parties agree otherwise, no more than one (1) issue shall be presented to an Arbitrator in any single case.

2. The fees and expenses of the Arbitrator shall be borne equally by the parties. Any other expenses incurred by the parties including but not limited to the presentation of witnesses, shall be borne by the Party incurring same.
3. The Arbitrator shall be bound by the terms and conditions of this Agreement and shall not have any power to add to, subtract from, or in any way modify any of the terms of this Agreement.
4. The decision of the Arbitrator shall be in writing with the reasons therefore and shall be binding upon the parties.
5. Either the Borough or the Union may waive any of the steps of the grievance procedure, but said waiver can only be done in writing with the consent of the other party in question.
6. The time limits set forth herein shall be strictly adhered to. If any grievance has not been initiated within the time limit specified, the grievance shall be deemed to have been waived. If any grievance is not processed to the succeeding step in the grievance procedure within the time limits prescribed, then disposition of the grievance at the prior step shall be deemed to be conclusive. Nothing herein shall prevent the parties from mutually agreeing to extend or contract the time limits provided for processing the grievance at any step in the grievance procedure.

ARTICLE 28 - SALARIES

- A. Effective and retroactive to January 1, 2012 all bargaining unit employees shall receive a one and three quarter percent (1.75%) wage increase to their base salary.
- B. Effective January 1, 2013 all bargaining unit employees shall receive a one and three quarter (1.75%) percent wage increase to their base salary.
- C. Effective January 1, 2014 all bargaining unit employees shall receive a two and one quarter percent (2.25%) wage increase to their base salary.
- D. Effective January 1, 2015 all bargaining unit employees shall receive a two and one quarter percent (2.25%) wage increase to their base salary.
- E. A new salary scale for employees hired after January 1, 2012 is appended hereto.

ARTICLE 29 - SHIFT DIFFERENTIAL

Communication Operators working the afternoon and midnight shifts shall receive the following shift differential added to their hourly pay rate for all hours worked on said shifts.

Current	Afternoon Shift:	0.55/hour
	Midnight Shift:	0.65/hour

ARTICLE 30 - LONGEVITY

A. Eligible employees hired on or before January 1, 2008 shall receive the following longevity payments:

<u>Years of Service</u>	<u>%</u>
05 to 09 Years	1%
10 to 14 Years	2%
15 to 19 Years	4%
20 to 24 Years	5%
25 Years	6%

Longevity payments shall be based upon the employees base salary as of January 1st of the current year and the same percentage shall be paid each succeeding year until the employee reaches the next longevity step.

B. Employees hired after January 1, 2008 shall receive the following longevity payments:

<u>Years of Service</u>	
5 Years	\$ 500.00
10 Years	\$1,000.00
15 Years	\$1,500.00

Longevity payments shall be the same amount each year until the employee reaches the next longevity step.

C. Longevity payments shall be paid to all eligible employees effective on their employment anniversary date and shall be considered in total with their salary for pension purposes. Longevity shall be added to the employees hourly pay rate.

D. Any employee hired after January 1, 2012 will no longer be eligible for longevities, all current employees who are employed by the borough will continue to receive their eligible longevity.

ARTICLE 31 - OVERTIME

All bargaining unit employees shall receive overtime pay at the rate of time and one-half (1 1/2X) the employees' regular rate of pay for all hours worked in excess of eight (8) hours per day and forty (40) hours per week.

ARTICLE 32 - CLOTHING ALLOWANCE

All bargaining unit employees shall receive a clothing allowance of \$1,000.00 per year in each year of this Contract.

The Clothing Allowance shall be continued from year to year and shall be paid by separate checks on the dates listed below. No receipts will be required concerning the clothing allowance. If for unforeseen reasons the municipal budget is not adopted by June 1st the clothing allowance payment will be made on adoption of the municipal budget. The Borough will keep the Union informed of the budget adoption status on a monthly basis.

Public works employees shall receive one-half (50%) of their clothing allowance on June 1st of each year and shall receive the remaining one-half (50%) of the clothing allowance on November 15th of each year.

Police Communication Operators shall receive their full clothing allowance payment on April 1st of each year.

ARTICLE 33 - CALL-IN-PAY

All bargaining unit employees who are called into work shall be guaranteed a minimum of three (3) hours pay at time and one-half (1 1/2X) their regular hourly rate.

If an employee is called out a second time, within the original three (3) hour call-in, the employee will not receive an additional minimum call-in payment. However, if the employee works beyond the original three (3) hour call-in period, the employee shall receive time and one-half (1 1/2X) the employee's regular hourly rate for all additional hours worked.

ARTICLE 34 - BARGAINING UNIT WORK

No other Borough employee or person shall perform the work of this Bargaining Unit with the only exception of volunteer workers, part-time summer workers, and community grant

workers. As to bargaining unit members employed in the PSTO position, per diem dispatcher and Borough Police Officers may be used.

The Borough shall retain its right to contract by bid or negotiation any type of work or labor for the Municipality and agrees to meet and confer with the Union prior to implementation of this action, if such action affects the employees of this Bargaining Unit.

The Borough agrees to reasonably consider all full time Police Communication Operators for all dispatcher overtime work that may become available, including any call outs and open schedule shifts. The Borough retains the right to use other qualified per diem or qualified individuals to perform this overtime work.

ARTICLE 35 - JOB TITLES/WORKING AT A HIGHER JOB CLASSIFICATION

A) 1) Welder Stipend:

Effective 1/1/99, the Borough shall increase the hourly rate of the employee who performs welding work by \$1.00 per hour, when assigned by the superintendent of Public Works or his designee. This increase shall be paid on the actual hours that the employee works in that capacity.

2) Superintendent Coverage

Effective January 1, 2012, whenever an employee temporarily fills in for the Public Works superintendent for the full day, the employee shall receive an additional two (2) hours at the regular hourly base rate of the superintendents hourly rate of pay.

B HIGHER JOB CLASSIFICATION:

- 1) Any employee who works a minimum of four (4) hours at a higher pay title, shall receive the higher salary for all hours worked in the title.
- 2) New employees must first complete one hundred (100) hours cumulative probationary period working in the higher title before being eligible for the four hour higher rate agreement, as outlined in the above Section 1.

ARTICLE 36 - MANAGEMENT RIGHTS

The Borough maintains the exclusive right to direct the work force of employees and the operations of the various departments. This shall include, but not be limited to:

- A) Direction and Operation generally
- B) Types of work to be performed
- C) Work Assignments
- D) Machinery, tools and equipment to be used
- E) Assignments of schedules
- F) Hire, promotion, discharge, demotion and disciplinary action against employees, as provided by Title 11 (State Department of Personnel).
- G) Making, drafting and enforcing of rules and regulations, governing the same and for discipline and safety of its employees.

ARTICLE 37 - RULES AND REGULATIONS

1) The Borough may establish and enforce reasonable rules and regulations governing departmental operations and the conduct of the personnel thereof and the maintenance of discipline. Copies of rules and regulations shall be furnished to the Union upon request and shall be posted on the various bulletin boards.

2) The employees shall comply with all such rules and regulations and all employees shall promptly and efficiently execute the instructions or orders of their superiors. If an employee or the Union believes an instruction or order of a superior is unreasonable or unjust, the employee shall comply with the order or instruction but with the further provision that such employee or Union may treat the order or instruction as a grievance which will be handled in accordance with the Grievance Procedure set forth previously in the Agreement.

ARTICLE 38 - DISCRIMINATION

The Borough and the Union shall not discriminate against any employee by reason of race, creed, sex, sexual preference, age, color, political, or religious affiliation or national origin.

All employees shall act to provide a work environment that is free of harassment.

ARTICLE 39 - ON CALL/PAGER STIPEND

The Public Works Supervisor, Mechanic, Assistant Water Treatment Plant Operator and one (1) Communication Operator shall receive annual stipends of \$475.00.

ARTICLE 40- FAMILY MEDICAL LEAVE

All bargaining unit employees shall be entitled to a leave of absence of up to twelve weeks, as provided in the New Jersey Family Leave Act and the Federal Family and Medical Leave Act.

ARTICLE 41 - SEVERABILITY

- 1) Should any portion of this Agreement be held unlawful and unenforceable by any Court of competent jurisdiction, such decision of said court shall apply only to the specific portion of the Agreement affected by such decision.
- 2) Similarly, a Legislative Act or Governmental Regulation or Order affecting a particular provision of this Agreement shall apply only to the specific portion of the Agreement affected hereby.

ARTICLE 42 - PERMITS

All Borough fees will be waived for all bargaining unit employees, except those fees collected on behalf of third parties, violations or fines.

ARTICLE 43 - AMENDMENT

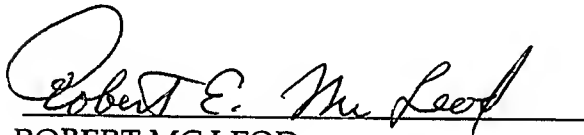
This Agreement represents the entire Agreement between the parties. Any amendment to the Agreement must be in writing and signed by representatives of both parties.

ARTICLE 44 - DURATION OF AGREEMENT


This Agreement shall become effective as of the 1st Day of January 1, 2012 and shall terminate at 11:59 p.m. on December 31, 2015.

IN WITNESS WHEREOF, we have appended our signatures and affixed our Seals this
day of 2012.

BOROUGH OF KEYPORT

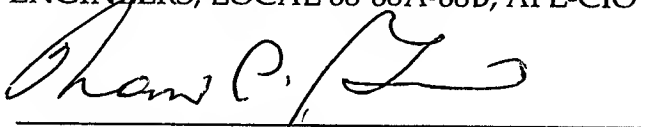

ROBERT MC LEOD
Mayor

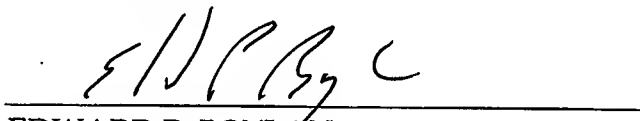
Council Member

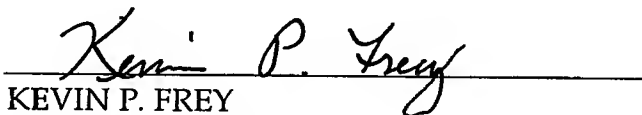

VALERIE T. HEILWEIL, RMC
Borough Clerk

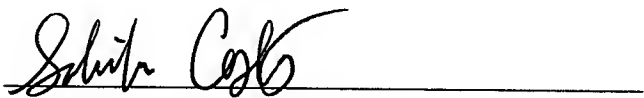
Borough Administrator

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 68-68A-68B, AFL-CIO


THOMAS P. GIBLIN
Business Manager


EDWARD P. BOYLAN
President


KEVIN P. FREY
Recording Secretary


SALVATORE COSTANZA
Business Representative

Appendix A –Wages

Employees hired between 1/1/07 thru 12/31/11 will receive step plus % of increase

	1/1/2012	1/1/2013	1/1/2014	1/1/2015
Labor trainee	\$ 27,799.12	\$ 28,285.60	\$ 28,922.03	\$ 29,572.77
year 2	\$ 29,837.17	\$ 30,359.32	\$ 31,042.41	\$ 31,740.86
year 3	\$ 31,465.17	\$ 32,015.81	\$ 32,736.17	\$ 33,472.73
year 4	\$ 33,093.17	\$ 33,672.30	\$ 34,429.93	\$ 35,204.60
year 5	\$ 34,720.15	\$ 35,327.76	\$ 36,122.63	\$ 36,935.39
year 6	\$ 35,329.64	\$ 35,947.90	\$ 36,756.73	\$ 37,583.76
year 7	\$ 36,347.14	\$ 36,983.21	\$ 37,815.33	\$ 38,666.18
year 8	\$ 40,496.50	\$ 41,205.19	\$ 42,132.31	\$ 43,080.28
Public Works repair	\$ 44,750.67	\$ 45,533.80	\$ 46,558.31	\$ 47,605.88
Senior Public wrks repair	\$ 44,379.28	\$ 45,155.92	\$ 46,171.93	\$ 47,210.79
Meter reader	\$ 40,940.13	\$ 41,656.58	\$ 42,593.86	\$ 43,552.22
Meter reader repair	\$ 43,825.76	\$ 44,592.71	\$ 45,596.05	\$ 46,621.96
asst. water treatment plant operator	\$ 41,606.59	\$ 42,334.71	\$ 43,287.24	\$ 44,261.20
equipment opertor	\$ 44,934.84	\$ 45,721.19	\$ 46,749.92	\$ 47,801.79
senior equipment operator	\$ 48,263.08	\$ 49,107.68	\$ 50,212.60	\$ 51,342.39
mechanic	\$ 51,591.32	\$ 52,494.17	\$ 53,675.29	\$ 54,882.98
senior Mechanic	\$ 57,138.73	\$ 58,138.66	\$ 59,446.78	\$ 60,784.33

new hire effective 1/1/2012 *	1/1/2012	1/1/2013	1/1/2014	1/1/2015
Labor trainee	\$ 27,321.00	\$ 27,321.00	\$ 27,321.00	\$ 27,321.00
year 2	\$ 29,324.00	\$ 29,324.00	\$ 29,324.00	\$ 29,324.00
year 3	\$ 30,924.00	\$ 30,924.00	\$ 30,924.00	\$ 30,924.00
year 4	\$ 32,524.00	\$ 32,524.00	\$ 32,524.00	\$ 32,524.00
year 5	\$ 34,123.00	\$ 34,123.00	\$ 34,123.00	\$ 34,123.00
year 6	\$ 34,722.00	\$ 34,722.00	\$ 34,722.00	\$ 34,722.00
year 7	\$ 35,722.00	\$ 35,722.00	\$ 35,722.00	\$ 35,722.00
year 8	\$ 39,800.00	\$ 39,800.00	\$ 39,800.00	\$ 39,800.00

*note: labors employees hired after 1/1/2012 will receive the yearly steps no % increase

Communication Operator	1/1/2012	1/1/2013	1/1/2014	1/1/2015
	1.75%	1.75%	2.25%	2.25%
(*) communication Operator new hire rate	\$ 26,350.00	\$ 26,811.13	\$ 27,414.38	\$ 28,031.20
communication operator	\$ 32,850.39	\$ 33,425.28	\$ 34,177.35	\$ 34,946.34
senior communication operator	\$ 46,301.21	\$ 47,111.48	\$ 48,171.48	\$ 49,255.34

*note the communication operator trainee after one year of service will receive communication operator pay.